

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7485

BILL NUMBER: SB 450

NOTE PREPARED: Apr 15, 2009

BILL AMENDED: Mar 26, 2009

SUBJECT: Business corporation law.

FIRST AUTHOR: Sen. Bray

FIRST SPONSOR: Rep. GiaQuinta

BILL STATUS: As Passed House

FUNDS AFFECTED: **GENERAL
DEDICATED
FEDERAL**

IMPACT: No Fiscal Impact

Summary of Legislation: This bill makes changes and additions to business corporation law provisions concerning the following: (1) requirements for, effective dates of, and corrections of documents; (2) appealing a refusal of a filing of a document; (3) definitions; (4) notice requirements; (5) corporate names; (6) terms and conditions of rights, options, and warrants for the purchase of shares or other securities; (7) meetings of shareholders; (8) record dates for determining shareholders entitled to demand a special meeting; (9) terms of office of directors; (10) effective date of a notice of resignation; (11) actions taken by board of directors without a meeting; (12) standards of conduct for directors; (13) conversion; (14) bylaws; (15) merger or share exchange; (16) disposition of assets; (17) dissenters' rights; (18) actions taken by consent. It defines: (1) "beneficial owner"; (2) "delivery"; (3) "derivative instrument"; (4) "electronic transmission"; and (4) "sign". It establishes a presumption that the terms of members of a board of directors will be staggered. It repeals a provision that requires a corporation to report to shareholders an indemnification or advance of expenses to a director and the issuance of shares for a promissory notes or for promises to render services. The bill also makes changes to the law concerning businesses operating under an assumed name.

Effective Date: July 1, 2009.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

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